

**STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of the Office of Financial and Insurance Regulation**

**In the matter of:**

**LRJ Monthly Income Investing  
CRD No. 152219**

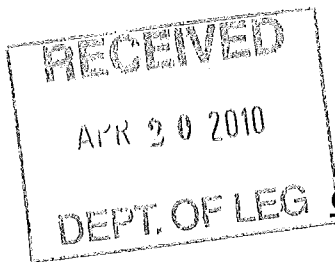
**Enforcement Case No. 10-7563**

**Rosemarie Johnson**

**Leon G. Johnson**

**Respondents**

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Issued and entered  
on 4/22 2010  
by **Stephen R. Hilker**  
**Chief Deputy Commissioner**

**CONSENT ORDER AND STIPULATION**

**A. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The staff of the Office of Financial and Insurance Regulation ("OFIR") alleges that the following are true and correct:

1. LRJ Monthly Income Investing is not registered to transact securities business as an investment adviser or in any other registered capacity in the State of Michigan.
2. LRJ Monthly Income Investing is an applicant for an investment adviser registration.
3. LRJ Monthly Income Investing is structured as a sole proprietorship and its management consists of Rosemarie Johnson and Leon Johnson.
4. Rosemarie Johnson and Leon Johnson are not registered to transact securities business as investment advisers or in any other registered capacity in the State of Michigan.
5. LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson are not exempt from registration under the Michigan Uniform Securities Act, 1964 PA 265, as amended; MCLA 451.501 et seq.
6. On or about December 3, 2009, LRJ Monthly Income Investing submitted an application for investment adviser registration

7. Upon OFIR's review of LRJ Monthly Income Investing's application materials, it was disclosed that LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson had been operating as investment advisers before the submission of the above referenced application.
8. From January 1, 2009 to October 31, 2009, LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson had 31 active clients and had received over \$99,000 from the clients.
9. LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson knew or should have known that Section 201(c)(1) of the Act, MCL 451.601(c)(1) prohibits a person from transacting business as an investment adviser without being registered under the Act.
10. Section 401(l) of the Act, MCL 451.801(l) provides: "Investment adviser" means any person who, for consideration, engages in the business of advising others, either directly or through publications or writings, as to the value of securities, or as to the advisability of investing in, purchasing, or selling securities, who, for consideration and as a part of a regular business, issues or promulgates analyses or reports concerning securities, or who acts as a finder in conjunction with the offer, sale, or purchase of a security.
11. LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson did one or more of the following: "for consideration, engages in the business of advising others, either directly or through publications or writings, as to the value of securities, or as to the advisability of investing in, purchasing, or selling securities, who, for consideration and as a part of a regular business, issues or promulgates analyses or reports concerning securities."
12. LRJ Monthly Income Investing, Rosemarie Johnson, and Leon Johnson Respondent acted as investment advisers without being registered under Section 201 of the Act, therefore may be subject to a civil penalty under Section 404 of the Act, MCL 451.804(d).

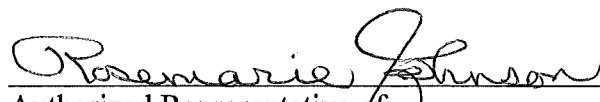
**B. ORDER**

Based upon the findings of fact and conclusions of law above, and Respondents' stipulation to said facts, it is hereby ORDERED that:

1. Respondents shall immediately cease and desist from operating in a manner that violates Section 201 of the Act, MCL 451.601.
2. Within thirty (30) days of issuance and entry of this Order, Respondents shall provide written notice to all clients, whether individuals or business organizations, that participate in LRJ Monthly Income Investing's program, informing them that LRJ Monthly Income Investing, Rosemarie Johnson and Leon Johnson were not registered to transact securities business as investment advisers or in any other registered capacity in the State of Michigan.

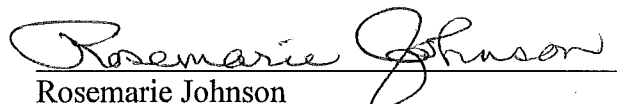
### C. STIPULATION

Respondents admit the Findings of Fact and Conclusions of Law set forth above and agree to the entry of the Consent Order. Respondents have read and understand the Consent Order. Respondents agree that the Administrator (Commissioner of the Office of Financial and Insurance Regulation) has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Uniform Securities Act. Respondents waive the right to a hearing in this matter if this Consent Order is issued. Respondents understand that this Consent Order will be presented to the Administrator for approval and the Administrator may or may not issue this Consent Order. Respondents waive any objection to the Administrator deciding this case following a hearing in the event the Consent Order is not approved.

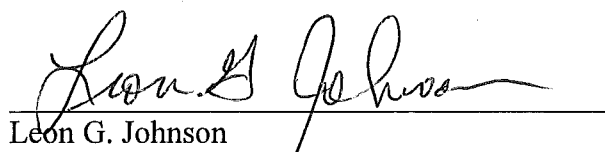
  
Authorized Representative of  
LRJ Monthly Income Investing  
CRD No. 152219

Name & Title Rosemarie Johnson CEO

Dated: 4-19-2010


  
Rosemarie Johnson

Dated: 4-19-2010

  
Leon G. Johnson

Dated: 4-19-2010

The OFIR staff approves this stipulation and recommends that the Administrator issue the above Consent Order.


  
William R. Peattie  
Attorney for OFIS Staff

Dated: 4/21/10

The notice shall further inform the clients that upon the client's request, Respondents shall refund the consideration paid, together with costs or fees, and interest at the rate of 6% per year from the date of investment, less any amount of income received on the investment. The notice shall provide the clients with at least thirty (30) days from the date of receipt in which to accept or reject the offer.

3. Upon the acceptance of the offer, Respondents shall remit any amount due and owing to the clients within thirty (30) days of receiving the acceptance.
4. Respondents shall provide OFIR with a copy of the written notice to the clients.
5. Respondent LRJ Monthly Income Investing shall pay to the State of Michigan, a civil fine of Five Hundred Dollars (\$500.00.) Upon issuance and entry of this Order, OFIR will send an Invoice to Respondent LRJ Monthly Income Investing, and Respondent LRJ Monthly Income Investing shall pay the fine by the due date printed on the Invoice.

OFFICE OF FINANCIAL AND  
INSURANCE REGULATION

By:   
Stephen R. Hilker  
Chief Deputy Commissioner